

## 215.45

### Determining Income Sources

#### Overview

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##### Introduction

Income eligibility is based on the current gross cash income before deductions for taxes, insurance premiums, bonds, and garnishment for all members of household (i.e., total cash income before taxes from all sources).

Note: WIC regulations do not permit gross income to be reduced for hardships, high medical bills, childcare payments, taxes, child support, alimony, insurance, or other deductions.

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##### Current income definition

Current income is defined as all income received by the household during the month (30 days) prior to the date of application for WIC benefits.

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##### Prospective income determination

In some cases, income determination may be done prospectively (e.g. the sole support of the family has just been laid off but has been authorized to receive unemployment benefits for the next 6 months), in these cases “current” refers to income that will be available to the family in the next 30 days.

If the applicant...	Then ...
<ul style="list-style-type: none"><li>Requires a prospective income determination to be completed rather than current income</li></ul>	<ul style="list-style-type: none"><li>select “Affidavit” as the proof provided,</li><li>print and complete the “Signed Statement” from the WIC data system and have the participant indicate what the prospective income will be,</li><li>place an alert in the system to document what has occurred,</li><li>issue one month of benefits, and</li><li>schedule the participant to return within 30 days to provide proof of income and to issue the remaining benefits.</li></ul>

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## Overview, Continued

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### Policy references

- WIC Policy Memorandum #2013-3 Income Eligibility Guidance
  - WIC Policy Memorandum WC-11-01-P: Deployment Extension Incentive Pay (DEIP)/Deployment Extension Stabilization Program (DESP)
  - WIC Policy Memorandum 2010-06: Income of 2010 Census Workers
  - WIC Policy Memorandum 2010-05: Payments to Certain Filipino World War II Veterans
  - WIC Policy Memorandum 2010-02: Exclusion of Combat Pay
  - Miscellaneous Rule, September 27, 2006
  - MPSF: WC-06-03-P: Treatment of FSSA in WIC Eligibility Determinations
  - MPSF: WC-06-02-P: Treatment of NFIP Payments
  - MPSF: WC-04-27-P: Treatment of Medicare Drug Card and Related Transitional Assistance in WIC Income Eligibility Determinations
  - MPSF: WC-03-31-P: Exclusion of EITC from Income Determination
  - MPSF: WC-01-32-P: FSSA
  - MPSF-1: WC-91-22-P: Family Size and Income for Military Families
  - MPSF: WC-99-16-P: Strengthening Integrity in the WIC Certification Process
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## Non-military Income Sources

### Included income

The table below identifies what can be counted as income.

Income Source	Example
Alimony and child support	Payments received
Any assets drawn down	<ul style="list-style-type: none"> <li>• Sale of property, a house, or a car</li> <li>• Withdrawals from savings, investments, trust accounts, and other resources readily available to the family</li> </ul>
Capital gains	---
Dividends or interest	<ul style="list-style-type: none"> <li>• Income from estates or trusts</li> <li>• Savings or bonds</li> </ul>
Garnished wages and bankruptcy income	---
Government civilian employee	<ul style="list-style-type: none"> <li>• Annuity payments</li> <li>• Military retirements</li> <li>• Pensions</li> <li>• Private pensions</li> <li>• Veteran's payments</li> </ul>
Insurance payments	<ul style="list-style-type: none"> <li>• Payments for fire, flood or other damage to a house if placed in a savings account and an amount is withdrawn each month to live on</li> <li>• Payments or compensation for injury including pain and suffering</li> </ul>
Lump-sum payments that represent "new" money	<ul style="list-style-type: none"> <li>• Gifts</li> <li>• Inheritances</li> <li>• Lottery winnings</li> <li>• Payments</li> </ul>
Monetary compensation for services	Wages or salary including the following: <ul style="list-style-type: none"> <li>• Bonuses</li> <li>• Overtime pay</li> <li>• Census workers</li> <li>• Child care and babysitting</li> <li>• Commissions</li> <li>• Consultant fees</li> <li>• Fees</li> <li>• GI Bill funds</li> <li>• Product sales such as Avon Sales</li> <li>• Seasonal or part-time work</li> <li>• Tips</li> <li>• Training stipends, except where elsewhere excluded</li> </ul>
Net income from IRS Schedule C or F (gross receipts less operating expenses)	<ul style="list-style-type: none"> <li>• Farm self-employment</li> <li>• Non-farm self-employment</li> <li>• Rental property</li> <li>• Royalties</li> </ul>
Public assistance or welfare payments	<ul style="list-style-type: none"> <li>• FIP (Family Investment Program, the Iowa TANF program)</li> <li>• General relief</li> </ul>

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## Non-military Income Sources, Continued

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**Included  
income,  
continued**

<b>Income Source Included</b>	<b>Example</b>
Regular contributions	<ul style="list-style-type: none"> <li>• From persons not living in the household, including absent family members and parental assistance to students</li> <li>• Allowances from other family members</li> </ul>
Rent received	Payments received not reported on Schedule C or F
Social Security benefits	Payments received
Student Financial Assistance	<ul style="list-style-type: none"> <li>• Grants</li> <li>• Scholarships</li> </ul> <p>Note: This does <u>not</u> include Pell Grants, State Student Incentive Grants and National Direct Student Loans and any others excluded as listed in Section 246.7(d)(2)(iv)(12) of the Federal WIC regulations.</p>
Supplemental Security benefits	Payments received
Unemployment compensation	<ul style="list-style-type: none"> <li>• Severance pay</li> <li>• Strike benefits from union funds</li> <li>• Workers compensation</li> </ul>

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## Non-military Income Sources, Continued

### Excluded income

The following sources of cash are not considered income.

Other Sources of Cash Excluded	Example
Child's income	Income earned by family members under 18 years
Child support due but not received	---
Gifts	Periodically given
Loans	Loans to which the applicant does <u>not</u> have constant or unlimited access
Lump-sum payments that represent reimbursements for lost assets or injury  (includes payments under the National Flood Insurance Program)	<ul style="list-style-type: none"> <li>• Insurance payment for loss or damage of personal property such as a home or auto</li> <li>• Insurance payment for fire, flood or other damage to a house if used for replacement</li> <li>• Payments intended for a third party to pay for a specific expense incurred by a household member such as payment of medical bills resulting from an accident or injury</li> </ul>
Tax refunds	Includes federal and state Earned Income Tax Credit (EITC) refunds and payments
Trust fund or payments made to a trust over which the applicant's family has no control and cannot currently access	
Value of in-kind housing and other in-kind benefits and payments	---

## Military Income Sources

### Included income

The table below identifies what can be counted as military sources of income.

Income Source Included	Example
<p><u>Note:</u> Combat pays given to deployed service members will be reflected on Leave &amp; Earnings Statements as follows:</p> <ul style="list-style-type: none"> <li>• Section O Remarks for the Marine Corps</li> <li>• Entitlement Column for all other branches of the service</li> </ul> <p><u>Note:</u> DEIP/DESP is currently only available to Army service members. WIC staff will need to inquire as to when the payment was received to determine if it is to be excluded from income eligibility determination.</p>	<ul style="list-style-type: none"> <li>• Basic Allotment for Subsistence (BAS)</li> <li>• Food and clothing cash allowances</li> <li>• Military bonuses</li> <li>• CONUS COLA (cost of living allowance provided to military personnel in high-cost areas within the continental United States)</li> <li>• Combat pays received before deployment to a designated combat zone AND that the service member continues to receive while being deployed in a combat zone including: <ul style="list-style-type: none"> <li>• Foreign Language Proficiency Pay (FLLP)</li> <li>• Special Duty Assignment Pay (SDAP)</li> <li>• Hazardous Duty Incentive Pay (HDIP)</li> </ul> </li> <li>• Family Separation Pay (FSA) — see page 5 for description of when to exclude FSA as income</li> <li>• Hardship Duty Pay (HDP, HDP-L, HDP-M) when service member is not in a designated combat zone</li> <li>• Deployment Extension Incentive Pay (DEIP)/Deployment Extension Stabilization Program (DESP) if the service member is at their home station. (Home station is a military installation within the United States)</li> </ul> <p><u>Note:</u> Overseas CONUS (or OCONUS) is not counted.</p>

### Excluded income

The table below identifies sources not counted as military income.

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## Military Income Sources, Continued

Other Sources of Cash Excluded	Example
<p><u>Note:</u> Combat pays given to deployed service members will be reflected on Leave &amp; Earnings Statements as follows:</p> <ul style="list-style-type: none"> <li>• Section O Remarks for the Marine Corps</li> <li>• Entitlement Column for all other branches of the service</li> </ul> <p><u>Note:</u> DEIP/DESP is currently only available to Army service members. WIC staff will need to inquire as to when the payment was received to determine if it is to be excluded from income eligibility determination.</p>	<ul style="list-style-type: none"> <li>• The value of in-kind benefits for on-base housing</li> <li>• Basic Allowance for Housing (BAH) including both on-and off-base military housing allowance/payments that can only be used for rent</li> <li>• OCONUS COLA (cost of living allowance for a member of the uniformed service who is on duty outside the contiguous states of the United States)</li> <li>• Military family allotments including Family Subsistence Supplemental Allowance (FSSA)</li> <li>• Filipino Veterans Equity Compensation Fund payments</li> <li>• Combat pay if it is: <ul style="list-style-type: none"> <li>▪ Received in addition to the service member's basic pay;</li> <li>▪ Received as a result of the service member's deployment to or service in an area that has been designated as a combat zone; <b>and</b></li> <li>▪ Not received by the service member before his/her deployment to or service in the designated combat zone (i.e., service member started receiving payment only after being deployed). This may include: <ul style="list-style-type: none"> <li>• Hostile Fire Pay/Imminent Danger Pay (HFP/IDP)</li> <li>• Hardship Duty Pay (HDP, HDP-L, HDP-M)</li> <li>• Foreign Language Proficiency Pay (FLLP)</li> <li>• Special Duty Assignment Pay (SDAP)</li> <li>• Hazardous Duty Incentive Pay (HDIP)</li> </ul> </li> <li>▪ Family Separation Pay (FSA) if service member is en route to a training location before deployment to designated combat zone OR on deployment orders to a designated combat zone</li> <li>▪ Combat-Related Injury &amp; Rehabilitation Pay (CIP)</li> </ul> </li> <li>• Deployment Extension Incentive Pay (DEIP)/Deployment Extension Stabilization Program (DESP) if the service member is not at their home station. (Home station is a military installation within the United States).</li> </ul> <p><u>Note:</u> CONUS COLA provided to military personnel in the continental United States must be counted as income.</p>

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